

Starting A Business In Florida

STEP 1 - Choose the Right Idea

The first step toward business ownership is deciding what kind of business to start. Look for an idea that suits your interests, your personal goals, and your natural abilities. This will help you stay motivated when the going gets tough and will greatly improve your odds of success.

STEP 2 – Plan Your Business

Successful businesses are built through careful planning. Before committing a significant amount of money and other resources toward your business, critically analyze your idea and create a game plan. At a minimum, you should have good answers to the following questions.

Product/Service Development

What problem does your business solve? What will set your product or service apart from the competition?

Sales & Marketing

Who are your potential customers? How will you get their attention and convert them into buyers?

People and Partnerships

What skills do you need to hire and what professional relationships will you need to form in order to succeed?

Financial Planning

How many clients or sales will you need in order to break even? How much money will it take to get there, and where will you get the funding?

STEP 3 – Form Your Business

Registering your company as a Florida business entity, such as an LLC or a Corporation, has two major advantages:

- Increased credibility
- Protection from personal liability in the event your business is sued

For most small businesses, registering an LLC is a great option. In comparison to other business entities, LLCs are easier to set up and manage and they have favorable tax treatment.

If you choose not to register your company as a business entity, you will be held personally responsible for the debts and liabilities of your business. In addition, unregistered business owners may need to file a Trade Name, also known as a "DBA."

STEP 4 – Register for Taxes

With limited exceptions, most businesses require a Federal EIN, also known as a Tax ID Number. An EIN is used to identify a business in its federal tax filings. Without an EIN, you cannot hire employees or open a business bank account. You should also be aware of important Florida taxes that may apply to your business:

- If you are selling a physical product, you will typically need to register for Florida Sales Tax.
- If you hire employees, you will need to register for Florida Re-Employment Tax, which is a type of unemployment tax

STEP 5 – Create Business Banking

Using a dedicated business bank account and credit card for all business related transactions simplifies accounting and makes your business appear more credible to customers and clients. In addition, if you have registered an LLC or corporation, use of business banking and credit accounts is essential to protect your business' corporate veil.

STEP 6 – Setup Accounting

An accounting system helps you track the performance of your business and simplifies annual tax filings. Quality accounting software lets you download your bank and credit card transactions, making accounting fast and easy.

STEP 7 – Obtain Permits and Licenses

To operate your new business legally, you will need to comply with federal, state, and local government regulations. In many cases, this involves obtaining one or more business permits and/or licenses. For example, a restaurant will likely need health permits, building permits, signage permits, etc.

STEP 8 – Get Insured

Business insurance helps you manage risks and focus on growing your business. The most common types of business insurance you should consider are:

- General Liability Insurance
- Workers Compensation Insurance
- Professional Liability Insurance

We recommend that all small businesses, including home based businesses, purchase a general liability policy. Businesses selling professional advice or services, such as consulting and accounting firms, should also consider a professional liability policy. In Florida, businesses with one or more employees, including officers and LLC members, are required by law to have workers' compensation insurance.

STEP 9 – Define Your Business Brand

The strongest and most memorable businesses are built on a solid brand.

When developing your brand, think about what your business stands for. What are the core values that drive your business? Customers and clients are looking for companies that have a compelling brand, as much as they are shopping for high quality products and services.

STEP 10 – Establish Web Presence

A professional website is critical to the long-term success of your business, regardless of what industry you are in. The website allows potential customers to find your business online and discover the products or services you offer, and it enhances your business' credibility.

In addition to a website, you should also consider other avenues for promoting your business online:

- Setting up social media profiles (Facebook, Twitter, etc.)
- Creating accounts on review sites (Yelp, Google Reviews, etc.)
- Registering for a local Google profile

[For more information visit the Florida Division of Corporation.](#)